

immediate risks of harm and can also perpetuate the cycle of poverty.

Convention Number 182 was adopted unanimously by all the government, labor, and business delegates to the ILO Conference at its 87th session in Geneva on June 17, 1999. The convention will establish a widely recognized international standard for the protection of children against the worst forms of child labor. During my visit to the ILO Conference in June, I urged other nations to ratify the convention. The United States should do so as well.

Under the leadership of Labor Secretary Alexis Herman, the U.S. helped to shape a convention that can be widely ratified. A tripartite panel of American government, labor, and business representatives has reviewed the convention and concluded that the United States can ratify the convention without changing our laws or regulations. Under the convention, the United

States and all ratifying nations accept a basic obligation to "take immediate and effective measures to secure the prohibition and elimination of the worst forms of child labor, as a matter of urgency."

By ratifying Convention Number 182, the Senate will make clear our resolve that no child should be subjected to slavery, prostitution, or pornography, used for drug activities, or work under conditions likely to harm their health, safety, or morals. I urge the United States Senate to support this convention to demonstrate our commitment and enhance our ability to help lead the world in eliminating the worst forms of child labor. I thank Senator Tom Harkin for his continuing leadership in the fight to eliminate abusive child labor. I look forward to working with the Senate Foreign Relations Committee and the Senate leadership to advance this convention toward ratification.

Remarks on the Drought and the National Economy and an Exchange With Reporters

August 6, 1999

The President. Good morning. Before I leave to go home to Arkansas, I want to comment briefly on two matters.

First, I want to talk about the action we're taking to address the terrible, crippling drought that continues to grip so much of our Nation. Throughout much of this country, we have seen the worst drought since the Dust Bowl days. And as the National Oceanographic and Atmospheric Administration will formally announce later today, in Maryland, Delaware, New Jersey, and Rhode Island, this is the worst drought for farmers ever recorded.

Such a natural calamity can have devastating consequences, not only for farmers but for small businesses and communities that depend upon a thriving agricultural sector and for the electric power systems so vital to our Nation. We've worked hard to help the victims of the drought and the heat wave. But as weather disruptions become even more common, and they will, they will demand a more coordinated response by the National Government. So today I'm directing that the White House immediately convene a task force of the relevant cabinet agencies

to coordinate our efforts and focus our attack on this problem. We must do more. It is our duty as a national community.

Second, I want to talk a little more about our efforts to continue our prosperity for all Americans. For 6½ years now, we have pursued a different economic strategy from the previous 12 years; one based on fiscal discipline, investing in our people, selling our products around the world. It has produced sustained prosperity, the longest peacetime expansion in history. Now, it has also produced an era of surpluses after 12 years in which we quadrupled the national debt. This is working. Today we received more evidence.

Just this morning it was announced that America's remarkably low unemployment rate remains at a remarkably low rate of 4.3 percent, that inflation is low, and that last month alone, over 300,000 new jobs were created in America. This brings the total since January 1993 when I took office to 19.2 million new jobs.

We should not abandon a strategy that is working, especially since now we are beginning an era of surpluses which will enable us to meet

our big, long-term challenges for the 21st century, the aging of America, the education of our children, sustaining our long-term economic growth. Therefore I am disappointed, though not surprised, that the majority party in Congress has chosen to pass its massive tax cut; one that plainly would damage our economic future and make it impossible to secure and modernize Medicare. But again, I want to assure the American people—because this tax cut will not save and strengthen Medicare, because it will not add a day to the Social Security Trust Fund, because it will not pay down the debt and pay it off for the first time in over 150 years—this tax cut will not become law.

This morning it was reported in the press that the Republican leadership has revealed that actually they have the secret strategy even to spend the Social Security surplus. They very explicitly want to raid the Social Security surplus to pay for huge economic—huge tax cuts and a risky economic scheme. They say they're spending more money now to force that result. Now, that's the sort of thing they did before that got us in trouble and gave us an average unemployment rate that was too high and a growth rate that was too low and huge, huge deficits.

This really troubles me because for the last 2 years they have promised the American people they would work with us to save Social Security first. I can think of nothing more cynical and irresponsible. My strategy is still the same. Let's do first things first. Let's save Social Security, save and strengthen Medicare, pay off the national debt for the first time since 1835, figure out what we have to invest in the education of our children and in the national defense and preserving the environment and our essential mission, and then give the rest of the money back to the American people in a tax cut.

We can have a tax cut, but it is wrong to put the cart before the horse. It is wrong to plan the vacation before we pay the home mortgage and send the kids to college. That's what they're proposing to do. It is wrong. It will take us right back to the situation that got us in so much trouble in the 1980's, and I will not countenance it. But we can make progress.

Just today there was a report that, led by the Republican physicians in the House of Representatives, enough Republicans have joined the Democrats to guarantee that the House will pass a strong Patients' Bill of Rights. This is

the sort of thing we can do if we work across party lines, as we did with welfare reform, as we did in the Balanced Budget Act of 1997. We can do something that would have seemed impossible just a few years ago. We can pay off the national debt, keep interest rates low, and give our children a healthy economy for a generation. We can save Social Security. We can save and strengthen Medicare with preventive benefits and the prescription drug. We can do these things. We can invest in our children's future. We can use this historic opportunity of a lifetime to do our duty by the next generation.

This is not a time to walk away from that duty, and again I implore the Members of the Republican majority to come up with their own Medicare plan, sit down with me and talk about it, figure out what we have to spend and invest, and then we can give the rest back to the American people in a tax cut. But we have to do first things first.

I will not—I will not see, after 6½ years of progress, us return to the problems that we faced in the years before I took office. We're not going to do it. It is not right. We should be looking to the 21st century and facing the challenges and doing right by our children. And that's exactly what I intend to do.

Drought Relief and Emergency Assistance to Farmers

Q. Mr. President, on this Federal drought task force, sir, what specifically do you have in mind? What could the Federal Government do that it's not doing now? And how do you respond to critics who say you haven't pushed hard enough for drought relief now for drought-stricken farmers?

The President. Well, I think that there should be more drought relief in the agricultural efforts. I believe we have to go back and, before the farm bill comes to me—the emergency farm bill that is working its way through Congress is designed largely to deal with the problems of the last 4 years: record-high world crops, the collapse of the markets in Asia, the collapse of the prices, and that's important because that deals with what all the farmers do off the east coast. But if you look at what they're facing here, there needs to be a special provision to deal with the drought crisis. And I hope that and believe that there will be.

So, I wish we could have done it before the August recess, but I think it will be there in

time to aid the farmers. I don't believe that this Congress will walk away without doing something to deal with the emergency problem caused by the drought. I'm going to be with James Lee Witt in Arkansas tonight. We're both going to be home, and I expect to have a discussion with him about it, about what we should do.

Yes, go ahead.

Q. And what about the task force?

Nomination of Roger W. Ferguson, Jr.

Q. What about Roger Ferguson? We understand that you're going to appoint him today to the Fed?

The President. I am. He will be the first African-American Vice Chair of the Fed. He is superbly qualified. He has served well. And I am very excited about the prospect of his service. I'm glad he's willing to do it.

Tax Cut

Q. Mr. President, you've made a point of saying that the only way of strengthening Medicare and meeting your priorities would be to have a tax cut in the \$300 billion range. Are you saying that the Republicans have to come down to that range? And if so, if it were to include an across-the-board tax cut or components that you don't philosophically agree with, would you be willing to entertain those as long as it's in the \$300 billion parameters?

The President. No. Let me back up and say first of all, the most important thing to me is that Congress engage in the same exercise I did and that I believe the Democrats on the Senate Finance Committee and the House Ways and Means Committee tried to do, which is to say, what do we believe it will take to secure Medicare, provide a modest prescription drug benefit, these preventive changes, and all the modernization and competition things that I think we all agree need to be done? What will it take to do that?

What does the Congress—even the Republicans are up there spending a lot of money. What about the money they're going to spend over and above the '97 balanced budget limits for education, for medical research, for the teaching hospitals, the inner-city hospitals, the therapeutic services? What about the veterans? Have they decided—what do they want to spend for defense? And we have to protect Social Security.

Now after we do all that, then they ought to ask themselves what their revenue estimates or whatever revenue estimates they intend to use—what is left? And then that is how we ought to determine the size of the tax cut. We're doing this backwards. So you have this curious situation where the majority party is both passing a big tax cut and passing big spending bills without any sense of how this is going to be reconciled. So to me, the most important thing is that we engage in the same process, that we put first things first.

Now, if we can agree on an amount, do I have to be flexible on how it's done? Of course I do; they have more votes than we do. Even the Democrats in Congress had a different plan than I did, and I thought they had some good ideas. The most important thing is that we engage in a process that saves Social Security and Medicare, that pays the debt off, and that continues to invest in education, defense, and the things we have to invest in. Then I think we ought to give whatever's left back to the American people in a tax cut. I obviously will argue for the fairest possible way.

I mean, if you look at the tax cut they adopted, the top one percent get 25 percent, the bottom 81 percent get 25 percent. So I think that, you know, 75 percent of the benefits go to the top 20 percent of the people. I think that there are problems with it, but I'm—clearly we'd have to negotiate the content, the details. But the amount should be determined not by politics but by arithmetic and by what we agree on in Medicare and the investments we agree to make in our country's future and our education and defense and the environment and by what we have to spend for the agriculture, for the veterans, for the problems that are now out there with the teaching hospitals, the inner-city hospitals, the therapy services have been canceled, those kinds of things. We need to find out what we are going to do and what we have to do and what is right for the long-term interest of America, and then we can have the short-term tax cut.

And let me just make one other point about that, as we celebrate 300,000 more jobs and finally breaking the 19 million job barrier. We have seen warning after warning after warning in the business press in the last 2 weeks that a big tax cut in the face of this growing economy would be viewed as an inflationary measure which would cause the markets to raise interest

rates, which would turn right around and take the benefits away from ordinary Americans that they get from tax cuts. If you get a tax cut today and the tax cut causes higher home mortgage rates, higher car payment rates, higher interest—credit card rates, higher college loan rates, and a weaker economy, then it won't take long for that tax cut to disappear in the flash of an eye. And that's another thing that ought to be considered here.

Fed Chairman Alan Greenspan and Inflation

Q. Mr. President, regardless of the tax cut debate, the unemployment report today was only the latest in a series this week that have raised concerns about inflation. Would a small increase in interest rates now be an understandable response to that? And secondly, have you made any decisions on Chairman Greenspan and another term at the Fed?

The President. Well, first of all, I think he has done a terrific job, and they will make their own judgments. But what I am doing is designed—he testified in the Congress along these lines. Now I'm very gratified that the actual inflation rate is not high. It is true that we're finally getting some wage increases the last 2½ to 3 years for ordinary people, and they're getting ahead again after 20 years of falling behind. And I think that's good. But we—what—we

should do everything we can, those of us with political responsibilities in the Government, to fight inflationary pressures so we continue to create jobs and raise incomes without inflation which will certainly raise interest rates. The market will raise them, whatever the Fed does, if we really have big inflation come back into the economy.

So I'm doing my best to hold inflation down, and that's the signal that I want to send today. I never comment on the interest rate decisions of the Fed, and I don't want to start now. I think that we have had an independent policy, but our policies have reinforced one another, which is to have growth and jobs without inflation. And that's what I think we should do.

Thank you very much.

End of the Fiscal Year

Q. The end of the fiscal year is just 2 months away. Do you think we'll have a train wreck, sir?

The President. No.

NOTE: The President spoke at 9:50 a.m. on the South Lawn at the White House prior to departure for Little Rock, AR. A portion of these remarks could not be verified because the tape was incomplete.

Statement on the Anniversary of the United States Embassy Bombings in Kenya and Tanzania

August 6, 1999

One year ago twin explosions at America's Embassies in Nairobi and Dar es Salaam claimed the lives of 12 dedicated Americans, 44 Kenyan and Tanzanian nationals working to support our diplomatic efforts, and more than 200 others going about their daily lives. Thousands more were injured, many seriously.

The intended victims of this vicious crime stood for everything that is right about our country and the world: Americans and Africans working together for peace and progress and a better future. They were good people, taken from us precisely because they were doing good.

Terrorists murdered these men and women and tore the hearts of those who loved them.

But their violence could not and did not destroy the ideals for which their victims stood. Instead, we have only intensified our commitment to fundamental values: democracy and human rights, justice and tolerance.

Their violence could not and did not damage America's bonds with Kenya, Tanzania, and the other striving nations of Africa. Instead, our Governments and peoples worked hand in hand to respond to the tragedy, and we remain united in our determination that terrorism will not destroy Africa's progress.

Their violence could not and did not make America shrink from the world. Instead of giving in to those who wish us harm, we have stayed